

HOWARD & HOWARD ATTORNEYS, P.C.
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Lisa S. Gretchko (P29881)

Hearing Date and Time: November 30, 2006 at 10:00 a.m.
Response Date and Time: November 24, 2006 at 4:00 p.m.

Intellectual Property Counsel for Delphi Corporation, et al.,
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
DELPHI CORPORATION, <u>et al.</u> ,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**RESPONSE OF HOWARD & HOWARD ATTORNEYS, P.C. AND
CONTRARIAN FUNDS, LLC TO DEBTORS' SECOND OMNIBUS
OBJECTION (PROCEDURAL) PURSUANT TO 11 U.S.C. § 502(b)
AND FED. R. BANKR. P. 3007 TO CERTAIN (I) EQUITY CLAIMS,
(II) CLAIMS DUPLICATIVE OF CONSOLIDATED TRUSTEE OR
AGENT CLAIMS, AND (III) DUPLICATE AND AMENDED CLAIMS**

(“SECOND OMNIBUS CLAIMS OBJECTION”)

Howard & Howard Attorneys, P.C. (“Howard & Howard”) and Contrarian Funds, LLC (“Contrarian”), file this Response to the Debtors’ Second Omnibus Objection to Claims (sometimes hereafter “Second Omnibus Objection”) and to the Proposed Order which the Debtors seek to have entered thereon (“Proposed Order”), and respectfully state as follows:

1. In July, 2006, Howard & Howard (as Seller) entered into a Transfer of Claim Agreement (the “Agreement”) with Contrarian (as Buyer) pursuant to which Contrarian

purchased Howard & Howard's \$234,631.11 Proof of Claim (which proof of claim was filed on June 28, 2006 and designated as Claim Number 8718) subject to the terms and conditions set forth in the Agreement. On August 3, 2006, Contrarian filed a Notice of Transfer with the Court (docket #4836) regarding Proof of Claim Number 8718.

2. Pursuant to the Agreement, Howard & Howard has the right to defend against, *inter alia*, the Debtors' Second Omnibus Objection.

3. Howard & Howard filed only one Proof of Claim, in the amount of \$234,631.11, which has been designated as Claim Number 8718. The basis for said claim is that Howard & Howard rendered legal services pre-petition, for which it had not been paid as of the petition date. Said Proof of Claim was timely filed on June 28, 2006 in the Bankruptcy Case of Delphi Technologies, Inc., Case No. 05-44554RDD.

4. Somehow, the Debtors' records allegedly reflect (erroneously) that Howard & Howard filed two *additional* proofs of claim, each in the amount of \$234,631.11 – namely: (i) Claim 9474 (allegedly filed on July 5, 2006) and (ii) Claim 15796 (allegedly filed on August 2, 2006).

5. In the Second Omnibus Objection, Debtors seek to expunge Claims 8718 and 9474, so that Claim 15796 is the surviving claim.

6. Howard & Howard and Contrarian have no objection to the expungement of two claims *so long as Claim 8718 is the surviving claim*. In other words, Howard & Howard and Contrarian object to the Debtors' Second Omnibus Objection to the extent that it designates Claim 15796 as the surviving claim, rather than Claim 8718.

7. The Proposed Order attached to the Second Omnibus Objection is confusing, improper, and flawed because the Exhibits referred to in the Proposed Order do not coincide with

the exhibit designations contained in the Second Omnibus Objection. Howard & Howard and Contrarian further object to any proposed order which purports to expunge Claim 8718. Both Howard & Howard and Contrarian desire that Claim 8718 be the surviving claim, and object to the Proposed Order and to any proposed order that does not clearly so state.

8. On November 14, 2006, Debtors' counsel (Ms. Allison Harriott) stated that the Debtors concur that Claims 9474 and 15796 can be expunged, **and that Claim 8718 be the surviving claim.** Ms. Harriott is also willing to send the proposed order to Howard & Howard (via e-mail) prior to its submission to the Court so that Howard & Howard can review it with Contrarian and confirm, *inter alia*, that Claim 8718 is the surviving claim. In other words, based on Ms. Harriott's statements (which were communicated in writing on November 14, 2006 via e-mail to Lisa Gretchko of Howard & Howard) it appears that Howard & Howard, Contrarian, and the Debtors have resolved the issues raised herein relative to the Second Omnibus Objection. This Response is being filed in an abundance of caution, to ensure that Howard & Howard and Contrarian are afforded a reasonable opportunity to review and approve (in advance) any proposed order on the Second Omnibus Objection that affects the foregoing claims, and also to ensure that the Court and other parties-in-interest are notified that Claim 8718 should be the surviving claim.

9. Any reply to this Response should be addressed to the following:

Laura Reddock
Contrarian Funds, LLC
411 West Putnam Avenue, Suite 225
Greenwich, CT 06830
(203) 862-8261
(203) 629-1977 (facsimile)
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10. The contact information for the persons who possess the authority to reconcile, settle, or otherwise resolve the Second Omnibus Objection to the claim on behalf of Howard & Howard and Contrarian are as follows:

Mark Davis and Lisa S. Gretchko
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11. Howard & Howard and Contrarian reserve the right to take discovery in this matter, and to raise other and further defenses and responses.

WHEREFORE, Howard & Howard and Contrarian pray that Claim 8718 be designated as the surviving claim in the amount of \$234,631.11 (consisting of a general unsecured claim in the amount of \$233,284.61 and a secured claim in the amount of \$1,346.50), and that any order on the Second Omnibus Objection regarding the treatment of Claims 8718, 9474 and 15796 be drafted clearly (and to the satisfaction of both Howard & Howard and Contrarian) to state that Claim 8718 is the surviving claim, and that said proposed order be submitted to Howard & Howard and Contrarian for review and approval by each of them prior to its submission to this Court for entry. Howard & Howard and Contrarian reserve the right to defend Claim 8718 from any and all challenges thereto, because Claim 8718 should be allowed in full. Howard & Howard and Contrarian also pray for such other and further relief as this Court deems proper.

HOWARD AND HOWARD ATTORNEYS, P.C.

Dated: November 20, 2006

By: /s/ Lisa S. Gretchko

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